

Dawn Huntley

From: Hannah Morini <hm@green-ri.com>
Sent: Thursday, May 12, 2022 4:51 PM
To: House Municipal Government and Housing Committee
Subject: Green Development in support of H8220

Honorable Committee Members,

Green Development I write in support of House Bill 8220: An Act Relating to Taxation – Levy and Assessment of Local Taxes.

- Until 2017, there was no standard for taxing renewable energy projects in RI.
- The General Assembly fixed this problem back in 2017 in RIGL, 44-5-3-C.
- A working group included tax assessors and energy companies made rules.
- Since these projects were tax exempt under a Supreme Court ruling, it was agreed at \$5000/MW was fair and adequate.
- Tax assessors are not currently following the rules and illegally tax projects.
- This bill **clarifies** the law passed in 2017, eliminating ambiguity:
 - This bill allows taxation of renewable energy projects through tangible taxes and prohibits also increasing the value of the underlying land.
 - There are exemptions for tracts of land currently in the Farm Forest and Open Space Program.
 - Right now, there is a lack of predictability and transparency in taxation of these projects. Rhode Island will not be able to meet its clean energy goals.
 - The bill does not force municipalities to tax uniformly, in the sense that a residential parcel is still taxed as a residential parcel, and an industrially zoned parcel is still taxed as industrial.
 - Important to note: there are many Towns who have negotiated tax agreements with projects, in many cases getting more than the stipulated \$5000/MW. This bill does not prevent any such negotiations from occurring.

Thank you for your consideration in supporting this bill. I am available at your convenience to answer any questions or to provide examples.

Hannah Morini

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